



City of Seattle

Office of City Auditor
Susan Cohen, City Auditor

May 1, 2001

The Honorable Paul Schell
The Honorable Jim Compton
City of Seattle
Seattle, Washington 98104

Dear Mayor Schell and Councilmember Compton:

The Office of City Auditor issued an audit report and management letter regarding the Public Safety Civil Service Commission. The audit examined the Public Safety Civil Service Commission's rental car practices. Two specific concerns addressed in the audit were 1) the absence of management controls (e.g., internal agency guidelines or procedures) consistent with City laws and policies; and 2) the absence of effective internal controls (i.e., adhering to internal agency guidelines) in executing routine Commission functions and activities.

The Public Safety Commission's Executive Response to the audit was largely unresponsive to the findings and recommendations. In fact, the Public Safety Commission and Secretary and Chief Examiner disregarded serious management and internal control deficiencies evident in the audit findings on its rental car practices. The Public Safety Commission and Secretary and Chief Examiner did not address the audit recommendations. Unfortunately, the Public Safety Commission's and Secretary and Chief Examiner's unwillingness to acknowledge and address the reported deficiencies through a corrective action plan demonstrates inherent weaknesses in the Public Safety Commission's organizational structure.

In an Office of City Auditor management letter, dated April 24th, we expressed the following opinion:

The Auditor's Office believes that the PSCSC is inadequately managed resulting in repeated violations of City laws and policies. The Commissioners, as a group, must exercise sound judgment and professionalism to serve effectively as the agency director. The Secretary and Chief Examiner requires more extensive management skills and knowledge of City laws and processes to serve effectively as the day-to-day manager of this function. Given the failure of the PSCSC and its Secretary and Chief Examiner to adequately address concerns raised by The Washington Firm and City agencies, the Mayor and the City Council will need to take steps to ensure that the current management issues are addressed immediately and proactively to avoid further liabilities.

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After additional consideration, I believe the flaws in the PSCSC stem from inherent weaknesses in its structure and management. Hence, any lasting solution to the PSCSC issues will require a structural realignment to ensure that its operations and services are consistently managed by personnel with the requisite level of professionalism and accountability. To assist the Mayor and Council in considering structural changes, we have prepared the enclosed options analysis.

If you have any questions or comments, please feel free to call me at 233-1093.

Sincerely,

A handwritten signature in black ink that reads "Susan Cohen". The signature is written in a cursive, flowing style.

Susan Cohen
City Auditor

SC:SB:WSH:tb

Enclosure

cc: James A. Fossos, Chair, Public Safety Civil Service Commission
Barbara Laners, Commissioner, Public Safety Civil Service Commission
Noreen Skagen, Commissioner, Public Safety Civil Service Commission
Ruby Dell Harris, Secretary and Chief Examiner, Public Safety

**OFFICE OF CITY AUDITOR
PUBLIC SAFETY CIVIL SERVICE COMMISSION
ORGANIZATIONAL ISSUES AND OPTIONS**

This organizational issues and options paper briefly explores three alternatives for realigning the Public Safety Civil Service Commission with other City agencies to strengthen its management structure and to improve its accountability. The advantages and disadvantages of the three realignment options are discussed below along with the advantages and disadvantages of maintaining the current Public Safety Commission's organizational structure. A summary overview of the organizational options is also presented in Appendix 1 for a quick comparison of the advantages and disadvantages associated with each option.

Characteristics of Current Public Safety Commission Organization

Seattle's Public Safety Commission was established by City Ordinance 107791 in 1978 to govern appointments, promotions, layoffs, recruitment, retention, classifications, terminations, disciplinary actions, and appeals for select commissioned personnel in the Seattle Police and Fire Departments. The Public Safety Commission was developed in compliance with Chapters 41.08 and 41.12 of the Revised Code of Washington (RCW), which allow cities and towns to establish provisions for civil service systems for police and fire department personnel, respectively.

The Public Safety Commission is an independent body, comprised of three members who serve three-year terms. The Mayor and City Council each appoint one commissioner and the third commissioner is elected by regular and probationary commissioned employees of the City's Police and Fire Departments. In turn, the Public Safety Commission is responsible for appointing a Secretary and Chief Examiner to manage its day-to-day operations, because the Commission only meets monthly or as required to conduct its business.

The Public Safety Commission's current organizational structure, intended to foster independence and accountability in public safety civil service matters, allows the Commission and Secretary and Chief Examiner broad discretion in decision-making and in interpreting City laws and policies. However, if sound judgment is not exercised, the Public Safety Commission's independence and broad discretion can also be a barrier to implementation of acceptable management practices that conform to City laws and policies.

Specific concerns that have surfaced or have been exacerbated by the current public safety civil service organizational structure include:

- The Public Safety Commission meets intermittently, resulting in sporadic communications and management oversight that diminishes continuity in dealing with day-to-day operational issues. Day-to-day operational and management decisions are largely delegated to the Secretary and Chief Examiner, who must keep the Commissioners apprised when management and operational issues undermine the Commission's professional integrity or impede successful delivery of professional services.

- The Commission and Secretary and Chief Examiner have not established adequate management and internal controls with clear lines of authority. The absence of professional accountability is evident when problems surface because no one in authority accepts responsibility for initiating action to resolve the issues.
- The current Secretary and Chief Examiner appears to be unwilling or unable to manage the office in accordance with City laws and policies. The Commission, which is responsible for ensuring accountability within the organization, also appears to be unwilling or unable to enforce management's compliance with City laws and policies.
- Given the Commission's independence, no mechanism exists for other City agencies, including traditional watchdog agencies such as the City Budget Office, Ethics and Elections Commission and Personnel Department, to effectively intervene and enforce City laws and policies.
- The Public Safety Commission, which is a small organization with limited budgetary (i.e., \$500,000 annually) and staffing resources (i.e., 4.75 full time equivalent positions), lacks direct access to internal financial or legal expertise generally available for larger City agencies to draw upon in dealing with complex issues.

Organizational Options for the Public Safety Commission

Given the current management deficiencies identified during our recent audit review and other City agency reviews,¹ this report considers three options for a potential reorganization of the Public Safety Commission to enhance the integrity and management of the City's public safety civil service system. The options, which would be consistent with Ordinance 107791 and RCW Chapters 41.08 and 41.12 but would require revised City legislation, include: 1) incorporating the personnel functions into the Personnel Department while maintaining the independent Commission for the appeals function; 2) combining the Public Safety Commission and the Civil Service Commission; and 3) realigning the Public Safety Commission with either the Seattle Police Department or the Fire Department. Maintaining the current organizational alignment is also considered.

The advantages and disadvantages of the four options are briefly described below. Again, a summary of the organizational options is also presented in Appendix 1 for ease of reference.

Organizational Arrangements Identified in Other Municipal Jurisdictions

Audit staff conducted a survey to identify organizational arrangements developed in other jurisdictions that administer civil service systems. The survey focused on six municipal jurisdictions comparable in population to the City of Seattle and five other Washington jurisdictions. An average of 2,473 full-time equivalent commissioned positions were employed in the six comparable jurisdictions versus 2,281 commissioned personnel employed by the City of Seattle. An average of 452 commissioned personnel were employed in the five Washington jurisdictions. A listing of the surveyed jurisdictions and organizational summary is presented in Appendix 2.

¹Please see Office of City Auditor Management Office Management Letter to Mayor Paul Schell and Councilmember Jim Compton, April 24, 2001.

Exhibit 1 below summarizes the organizational arrangements for six comparable municipal jurisdictions and the five other Washington State municipal jurisdictions.

Exhibit 1 Summary of Civil Service Organizational Arrangements in Municipal Jurisdictions				
Organizational Structure	Comparable Jurisdictions	Other Washington Jurisdictions	Total Number	Percent
Personnel Department Administers Civil Service System*	3	4	7	64%
Police and Fire Departments Administer Civil Service System*	1	0	1	9%
Independent Civil Service Commission for Public Safety Employees	1	0	1	9%
Independent Civil Service Commission for All Municipal Employees	0	1	1	9%
No Formal Civil Service Commission**	1	0	1	9%
Totals	6	5	11	100%
Notes: *Assumes Public Safety Commission would continue to hear appeals and advise on or approve personnel processes administered by Personnel, Police or Fire Department. **The City of Indianapolis's Police and Fire Departments handle the recruitment, examination, and certification. Appeals are heard by review panels organized on an ad hoc basis. Source: City of Seattle Auditor's Office <u>Public Safety Civil Service Survey</u> , 2001.				

Based on the survey results, eight (73%) of the municipal jurisdictions aligned the civil service systems, including public safety civil service systems, with the personnel, police, or fire agencies. Most of the professionally aligned civil service systems served both commissioned and non-commissioned personnel. Only one of the 11 surveyed jurisdictions (Denver) maintained an independent public safety civil service commission, and only one jurisdiction (Spokane) maintained an independent civil service commission for all municipal employees.

Commission functions varied across jurisdictions, but typically encompassed recruitment, examination, certification, and appeals processes. The appeals process was the only responsibility universally administered by the civil service commissions. The number of appeals ranged between eight and 76 annually in comparable jurisdictions, and between two and 30 in other Washington jurisdictions. The Seattle Public Safety Commission hears approximately 10 appeals annually.

One additional characteristic of civil service commissions common in both the comparable and Washington State surveyed jurisdictions was a five-member commission. In fact, seven (70%)

of the 10 surveyed jurisdictions with civil service commissions had five or more commissioners. This was an interesting finding, because concerns have been expressed regarding the three-member Public Safety Commission due to the perceived influence of one of the three Commissioners. Clearly, the advantage of a larger commission is the diminished opportunity for one or two board members to dominate commission business or decisions.

Option 1: Incorporate the Public Safety Commission Non-Appeal Functions into the Personnel Department

This option would provide for the transfer of the Public Safety Commission's human resource functions, such as recruitment, examinations, and certification, to the Personnel Department. The Commission would maintain full responsibility for public safety appeals and for authorizing standards and processes for recruitment, examinations, and certification activities. The Personnel Department Director or her designee would serve as the Secretary and Chief Examiner to the Commission, and dedicated personnel analysts would continue to provide professional personnel services for commissioned police and fire department employees.

The advantages of this organizational structure would be the presence of full-time, high-level management personnel to provide comprehensive and consistent oversight of the civil service function. The Secretary and Chief Examiner's accountability and operational effectiveness are likely to improve dramatically due to both consistent oversight and immediate access to resources within the Personnel Department. Improved efficiency is another potential advantage as more staff would be available to respond to peak workload demands and issues than the current staff now available for public safety civil service functions.

Although the Public Safety Commission's organizational independence may be perceived by commissioned personnel to be diminished under a Personnel Department realignment, the actual quality of the civil service system is likely to be enhanced due to the presence of highly skilled management and more expansive agency resources. Specifically, the personnel functions would be assumed by full-time professional managers that have the requisite skills to direct the Public Safety Commission's staff and processes. In addition, the Public Safety Commission would continue to retain its jurisdiction over the crucial appeals process, so the integrity of the system is also likely to be improved because the Commission would be able to concentrate more time and resources on the appeals process.

Even though the civil service system is commonly aligned with personnel departments in other municipal governments, questions of independence and impartiality periodically surface when personnel departments are responsible for staffing the civil service commission appeals processes. One civil service system arrangement that would address this issue is to assign the appeals staffing functions to another quasi-judicial agency, such as the City's Office of Hearing Examiner.

In summary, the predominant benefit associated with the Public Safety Commission's realignment with the Personnel Department would be enhanced management oversight. The existing Public Safety Commission's professional personnel and services would be transferred to the Personnel Department. The Personnel Department would provide direct recruitment,

examination, and certification services to commissioned employees in the Police and Fire Departments consistent with the civil service rules established in the Revised Code of Washington.

Option 2: Combine Public Safety Civil Service and Civil Service Commissions

This option would provide for an independent combined civil service system for all municipal personnel. The major strength of the combined civil service system is the impartiality, as well as the perception of impartiality, fostered by the nature of an independent commission. Sworn personnel traditionally place a high value on an impartial and independent personnel system. In addition, a Citywide civil service system would be more economical than maintaining two independent civil service systems.

However, the weaknesses inherent in an independent civil service function are the absence of full-time, top management oversight, and the absence of guidance in the development of sound internal policies. In addition, an independent commission would not have immediate access to internal resources that could prove valuable when complex issues surface. Professional problem solving and accountability are currently complicated by the part-time, independent Commission, and it is unlikely that these issues would be addressed by consolidating the two Commissions.

It should be noted that a 1996 effort to consolidate the Civil Service Commission and the Public Safety Civil Service Commission was opposed by the Public Safety Commissioners and the sworn forces. The Public Safety Commissioners and the sworn forces expressed concerns about diminished integrity of the public safety civil service system. However, the integrity of the Public Safety Commission management has been a subject of concern during recent reviews by the Ethics and Elections Commission, the City Budget Office, and an independent consultant retained by the City Law Department.

Option 3: Realign the Public Safety Commission with the Seattle Police Department or Fire Department

This option would provide better oversight and improved access to legal and financial resources. Top managers in Police and Fire Departments tend to be highly trained and possess extensive management experience. In addition, the traditional chain of command in the Police and Fire Departments would improve the accountability of the Secretary and Chief Examiner. It is also likely that operational efficiencies would be gained in civil service processes because there is immediate access to top managers and resources to resolve day-to-day operational questions and issues.

The inherent weaknesses of realigning the Public Safety Commission with either the Police or Fire Department, however, would be the loss of impartiality and the perception of bias if the commission becomes more closely aligned with one of the two departments it serves. The real or perceived threat of bias in the recruitment, examination, promotional, and appeals processes could be highly deleterious to the Public Safety Commission as well as to the reputations of the police and fire agencies.

Surveyed jurisdictions speculated that this option could also generate tension because historic, albeit friendly, rivalries are not uncommon between police and fire agencies. As a result, it might be difficult to gain a consensus from the Seattle Police and Fire Departments regarding the organizational location of the Public Safety Commission. The perception that one City agency will receive more favorable benefits through a closer alignment with the civil service function will have to be carefully avoided if this option is pursued.

Option 4: Maintain the Current Organizational Alignment

Maintaining the current organizational alignment appears to be the least reasonable option, given the serious management and internal control issues identified during recent reviews of the Public Safety Commission conducted by the City Budget Office, the Ethics and Elections Commission, and an independent investigator retained by the City Law Department. The Public Safety Commission and Secretary and Chief Examiner may be unable to successfully address the myriad of issues identified in these reviews, because clear lines of authority and clear lines of communication with other City departments have not been established.

The primary benefit of maintaining the current organizational structure would be to avoid change and perceived disruptions to commissioned personnel who are familiar with the current Public Safety Commission personnel and operations. The current organizational alignment would also be advantageous because the perception of an independent Commission would be maintained. However, the Public Safety Commissioners only meet once a month and lack the time and comprehensive knowledge of City laws and policies needed to provide effective oversight. Thus, this option is not highly practical.

RECOMMENDATIONS

- We recommend that the City Council consider realigning the Public Safety Civil Service Commission with the Personnel Department, and that the Personnel Director or her designee assumes the responsibilities of the Secretary and Chief Examiner. The Public Safety Commission's professional and administrative staff should continue to provide civil service recruitment, examination and certification services for the Police and Fire Departments.
- We recommend that the City Council consider expanding the membership of the Public Safety Commission to five member, including two Mayoral commissioners, two Council commissioners and one elected commissioners.
- We recommend that the Mayor and Council consider the option of assigning their Commission appointees to serve on both the Public Safety Civil Service and the Civil Service Commissions.

APPENDIX 1

OVERVIEW OF THE ADVANTAGES AND DISADVANTAGES OF PUBLIC SAFETY COMMISSION ORGANIZATIONAL OPTIONS

The matrix below provides a brief overview of the organizational options for the Public Safety Commission and highlights the relative advantages and disadvantages of the various options. The ranking system used in the matrix is as follows:

Very Good = ✓ ✓ ✓

Fair = ✓

Good = ✓ ✓

Poor = --

Advantages and Disadvantages	Consolidate with Personnel Department	Combine with Civil Service Commission	Consolidate with Fire or Police Department	Maintain Current Organizational Alignment
Comprehensive and Consistent Managerial Oversight by Commission	✓ ✓ ✓	✓	✓ ✓	--
Improved Secretary and Chief Examiner Accountability	✓ ✓ ✓	✓ ✓	✓ ✓ ✓	--
Access to Other Internal Department Resources	✓ ✓ ✓	✓	✓ ✓ ✓	--
Organizational Independence and Impartiality	✓	✓ ✓	--	✓ ✓ ✓
Integrity of Civil Service System	✓ ✓ ✓	✓ ✓	✓ ✓	--
Improved Efficiency in City's Civil Service Functions	✓ ✓ ✓	✓ ✓	✓ ✓	--
Commissioned Personnel Familiarity with Civil Service System	✓	✓ ✓	✓	✓ ✓ ✓

APPENDIX 2

SURVEY OF CIVIL SERVICE ORGANIZATIONS IN COMPARABLE AND WASHINGTON STATE JURISDICTIONS

COMPARABLE JURISDICTIONS						
Jurisdiction	Civil Service Structure	Primary Civil Service Functions	Staffing Arrangement	Number of Sworn Employees	Approximate Number of Annual Appeals	Number of Commissioners
Denver	Civil Service Commission	Public safety testing and appeals; no recruiting	Commission selects staff	2,200	Eight to ten appeals for public safety employees	5 Commissioners
Phoenix	Civil Service Board	Appeals for all employees	Personnel Director staffs Board	3,458	Twenty-five (25) appeals for all City employees	5 Board Members
Jacksonville	Civil Service Board	Hearing appeals for all employees	Board selects staff	2,417	Seventy-six (76) appeals for all City employees	7 Board Members
Buffalo	Civil Service Commission	Recruiting, testing, and appeals for all employees	Personnel Department staffs Board	1,872	Seventy-five (75) appeals for all City employees	3 Commissioners
San Diego	Civil Service Commission	Establishing testing and other standards for all employees and hearing appeals for all employees	Personnel Department staffs Board	3,051	Sixty (60) to seventy (70) appeals for all City employees	5 Commissioners
Indianapolis	Ad Hoc Commission(s)	Appeals hearings only	Personnel Department staffs Commission	1,840	Six to ten for public safety and 14 for all City employees	Not Applicable
WASHINGTON STATE JURISDICTIONS						
Spokane	Civil Service Commission	Public safety recruitment, testing, certification and appeals	Commission selects staff	665	Only two public safety administrative complaints	5 Commissioners
Bellevue	Public Safety Civil Service Commission	Primarily contract for examinations, certification, and appeals functions	Personnel Department staffs Commission	300	Commission meets four times a year despite few appeals	5 Commissioners
Tacoma	Civil Service Board	Approves processes and hears appeals	Personnel Department and City Attorney's Office staff the Board	765	Ten appeals for all City employees	5 Commissioners
Everett	Civil Service Commission	Approves all civil service processes and hears appeals	Personnel Department staff the Commission	380	Two appeals for all City employees	3 Commissioners
Lynnwood	Civil Service Commission	Recruiting, classification, standardized testing and appeals	Personnel Department staffs Commission; Mayor appoints Chief Examiner	150	Four public safety appeals	3 Commissioners
CITY OF SEATTLE						
Seattle	Public Safety Civil Service Commission	Select recruiting, classification, examination, certification, and appeals	Commission selects staff	2,281	Ten appeals for public safety employees	3 Commissioners
Source: Office of City Auditor, Survey Of Civil Service Organizations In Comparable and Washington State Jurisdictions, March 2001.						